

For the attention of: The Australian Productivity Commission

Call for submissions: Safeguards enquiry into the import of fabricated structural steel

Respondent: [REDACTED] – GM Customer & Markets – OneSteel Manufacturing

To Whom It Concerns,

Thank you for the opportunity to submit my general observations to support your enquiry into the import of fabricated structural steel into the Australian marketplace.

Context –

- The Australian steel Manufacturing, Distribution, Fabrication, Logistics segments and extensive associated SME's including numerous family-owned businesses are significant national employers.
- They play a vital role in supporting the national and regional economies while fostering the development of critical skills.
- These segments are critical enablers of Australia's nation building and economic growth. The products and services they provide are key materials used in the construction of hospitals, schools, defence assets, stadiums, residential and commercial towers, warehouses, data centres, bridges, airports, solar farms, roads & railways.
- These segments have been right sized over many decades, to serve and protect the nation. They have individually and collectively demonstrated their sovereign value to Australia's national purpose by supporting growth in the good times, and providing absolute security in times of need; how do we recover from floods or fires or famine? Via the Australian Steel Industry working together to restore vital supply lines or rapidly provide materials for the construction of quarantine centres and hospitals eg COVID pandemic

Ecosystem -

- The Australian steel Manufacturing, Distribution, Fabrication, Logistics segments and extensive associated SME's including numerous family-owned businesses are a complex and finely balance ecosystem
- Having been built up and right sized over many decades to critically support the evolving domestic economy, their point of greatest fragility is critical mass. Significant and unexpected changes to critical mass, disturb the base functionality of the ecosystem and untreated, will lead to a total and irreversible collapse.

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- The unforeseen but now highly visible surge of imported fabricated steel into the Australian marketplace, has caused a rapid decline in the health or sustainability of the ecosystem; its sales, production, productivity, capacity utilisation, profits, losses and employment rates have universally shifted.
- Numerous generational fabrication businesses are closing, being highly sensitive to such sudden change (as will be demonstrated by the ASI and other interested parties' data sets), and I see a direct correlation between the reduction in the demand and market size for finished goods (eg Hot Rolled Structural & Welded Beams) and the rapid increase of imported fabricated structural steel.
- I'd urge The Productivity Commission to perform its own analysis of ABS data, that will demonstrate that the domestic market size for Hot Rolled Structural products, be they locally produced or imported, has shrunk by >20% (CY21-CY24), and the correlating lift of import fabricated steel; which will demonstrate both absolute and relative impacts.
- The surge in imports has contributed to disruption across domestic supply chains, reduced certainty around the availability of consistent and reliable supply, and heightened risks relating to product quality assurance and compliance with Australian Standards. These impacts undermine customers' ability to plan and execute projects with confidence, particularly where timely delivery, technical support and assured product performance are critical.
- In summary, the Domestic Market operates within a highly volume-sensitive ecosystem, where viability depends on stable domestic demand to sustain efficient capacity utilisation, skilled workforces and apprenticeship pipelines that have been progressively right-sized over decades. Domestic steel industry segments are highly elastic, with even modest movements in imports materially affecting sustainability. The erosion of critical production volumes, particularly through surges of unfairly subsidised imports, undermines the economic viability of the entire domestic ecosystem.

Causal Link –

- No doubt the ASI has and will continue to highlight the absolute link between the surge of import fabricated structural steel, the loss of projects and critical mass from said Australian markets, and the underutilisation and current demise of domestic capacities. Its highly visible and has taken us to the imminent and irreversible point of no return. I acknowledge and support data put forward by the ASI regarding lost projects (critical mass) and the impact on (loss of) sovereign domestic capacities, employment and skills.
- A further unforeseen development has been the rapid and continuing proliferation of trade policy measures adopted by major steel-producing and steel-consuming economies in response to surplus global steel supply. Since

2024–2026, several key jurisdictions have introduced, reinstated or materially expanded safeguard measures, tariff-rate quotas and elevated tariffs on steel and steel products. These measures have been explicitly framed by the relevant authorities as responses to global overcapacity and surges of imported steel and have collectively restricted access to traditional export markets. Rather than absorbing surplus production, the cumulative effect of these measures has been to divert excess steel into comparatively open markets, including Australia.

- Australia is an open and unprotected market, making it a prime target for the distorted flow of Steel products, enabled by unfairly traded imports. This has led to an erosion of market share, unprecedented pressures on pricing and profitability, and reduced domestic capacity utilisation; capacity that has been right sized over decades.

Observations on Measures –

- I support the immediate imposition of provisional and definitive safeguard measures on imports of fabricated structural steel. The collective evidence demonstrates a recent, significant increase in imports, in both absolute and relative terms, arising from unforeseen global developments, including steel overcapacity and trade diversion. These imports have caused, and continue to threaten, serious injury to the Australian industry producing like or directly competitive products.
- The evidence also establishes critical circumstances justifying provisional measures, as any delay would risk damage that would be difficult to repair given ongoing import surges and the time required to complete a full investigation.
- I endorse a tariff-rate quota (TRQ) that maintains reasonable access to imports within quota limits, while applying a materially higher out-of-quota tariff sufficient to prevent or remedy serious injury. This should include provisional application for up to 200 days, followed by definitive measures.

Thank you for the opportunity to put forward my observations on this matter, which I see as critical to Australia's current and future wellbeing. This sovereign ecosystem cannot be allowed to irreversibly collapse, as it fundamentally underpins our way of life and future prosperity.

Your sincerely,

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